

## **Information Services Board Briefing Paper on the Health Care Authority Insurance System Replacement Project**

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### **Description**

The Health Care Authority (HCA) will review the status of its Insurance System Replacement Project (ISRP).

### **Recommendation to the Board**

No recommendations at this time.

### **Recommendation to the Project**

ISB oversight staff recommends that HCA develop a plan to investigate alternative solutions/products that could be implemented in lieu of the current development effort. In addition, HCA should determine what series of events would cause them to invoke this approach. Finally, HCA should provide a copy of Milestone Technology's independent project assessment to the Board upon its completion.

### **Status**

At the February 2003 meeting ISRP was elevated from a Level 2 (staff) to Level 3 (ISB) oversight based on delays in the project. At the April 2003 meeting HCA notified the Board that ISRP was being postponed from June 30, 2003 to October 6, 2003. HCA has now determined that it is unable to meet that revised schedule and has been working with its vendor to develop a realistic schedule with adequate contingencies.

HCA has engaged a consultant, Milestone Technology, to conduct an external assessment of the project, independent from either the existing staff or the QA vendor. The assessment will review project management, oversight, QA, and development practices. It will also examine the condition of the project, identify any performance gaps, and develop a plan for addressing the gaps.

HCA continues to accrue approximately \$200,000/month for every month they continue to run at the Department of Personnel (DOP) and until such time as ISRP is decommissioned. A delay until the end of the fiscal year will translate into a \$2.4 million project overrun on DOP charges alone.

No change has been made to scope, requirements, or budget. All three major system deliverables are on-site and in testing. However, system testing is significantly behind schedule due to the quality of the applications builds, the quantity of high priority defects in the application, and the amount of time needed to fix the defects.

### **Issues/Risks**

Refer to the project report, pages 9-6 through 9-10.